TACOM

Lethality, Survivability, Mobility and Sustainment for America's Army

Leadership
Teaming
Communication
Employee Support
Strategic Thinking
Organizational Climate

Non-Army Managed Item(s) (NAMI) Product Support Integration Directorate (PSID) OVERVIEW

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PURPOSE

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To answer AMC G-3 questions on

--WHY WE HAVE THE NAMI-PSID

--WHAT THE NAMI-PSID DOES

--SPECIFIC QUESTIONS –Metrics/Inventory/ Exces

--NAMI-PSID COSTS & BENEFITS

Why the NAMI-PSID

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SSF Executive Steering Committee Decision – May 99

- Include all materiel on participating SARSS-1/AMCISS in SSF

- NAMI materiel on Retail Stock Fund General Ledgers

- DLA declined to participate

- NAMI mission assigned to TACOM, Jun 99

- Separate PSID (CBU) with its own general ledger established

What the NAMI-PSID Does

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Provide financial management and assure maximum use of Army-owned but other source of supply managed assets.

Functions -

- **Screening Army requisitions to fill from excess redistribution.**
- **Fund and pass to SOS replenishment requisitions not filled from redistribution.**
- **Budget and execute funding for all NAMI items stocked at AWCF-SMA SARSS-1 sites (including funding the DONs).**
- **Receiv[illegible]le).**
- **Devel[illegible]PAT.**

BIG BUSINESS!
1.2 Million NSNs and 75% of all Army Requisitions

SSF NAMI Supply Process

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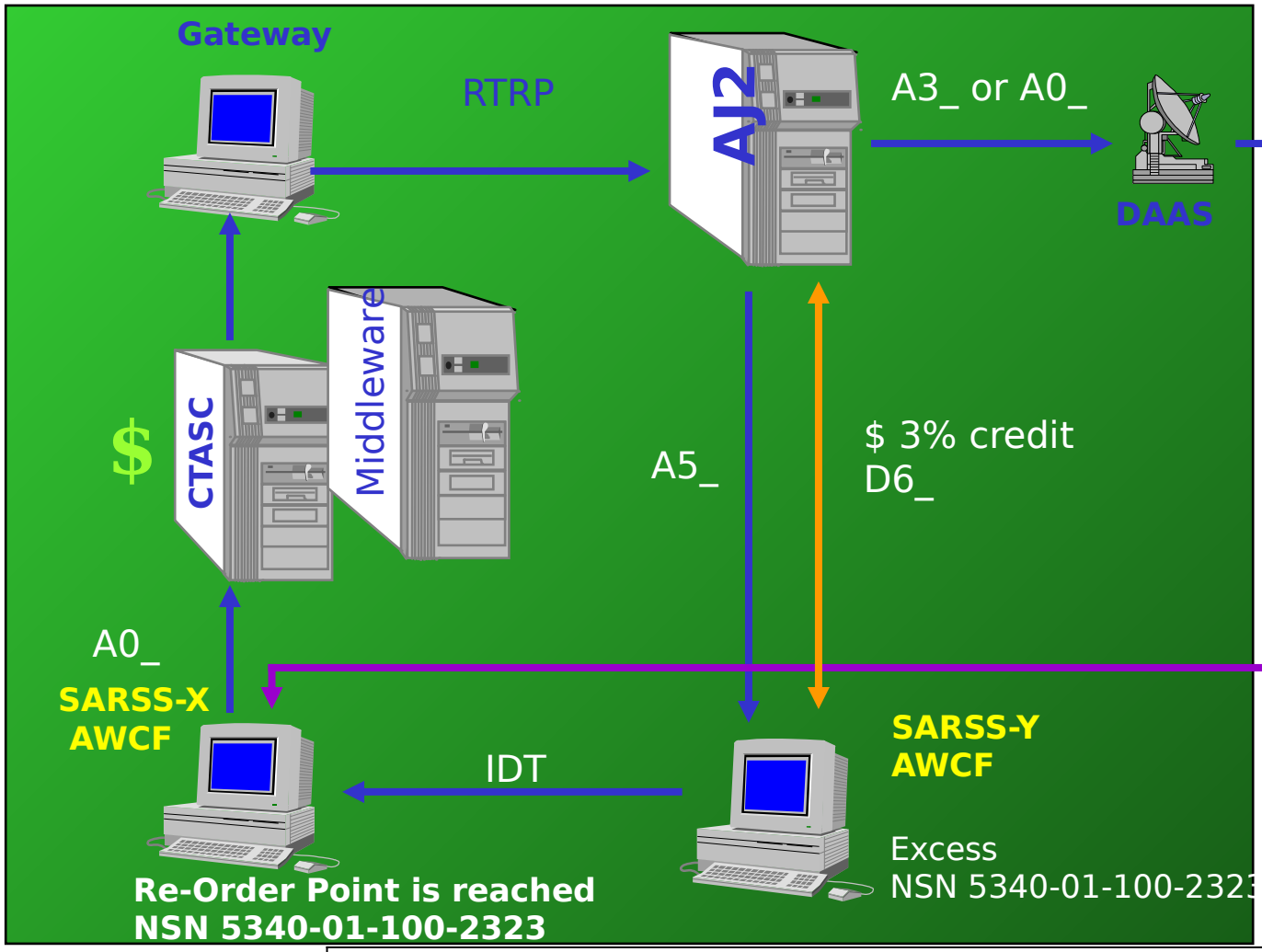
Army assets screened at AJ2 before dollars are sp



What the NAMI PSID Does

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NAMI STATISTICS

MS 1 / 2 **MS 3**

	FY01	FY02	FY 03	FY 04 (-Jan)
•Req Proc	4.0M	5.5M ($1.29B)	12.3M ($5.9B)	5.5M (2.9B)
•Pass Ord	3.6M (89.9%)	4.6M (84.9%)	4.0M (32.6%)	1.7M (30.0%)
•Funded Req	83K (2.1%)	262K (4.7%)	4.3M (34.7%)	2.0M (35.6%)
•Matl Rel	450,417*	853,059*	4.4M*	2.2M*

Specific Questions - Metrics
Asset Management

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The following provides cumulative through **Jan FY 04** statistics in a s
for the NAMI PSID:

Supply Transactions

Requisitions Processed	5,532,250	(valued at $2.9B)	
Passing Orders	1,659,309	30.0%	
Funded Requisitions	1,970,525	35.6%	
Materiel Releases	*2,209,865		
Offsite MROs	45,352	(valued at $23.1 M)	

*Includes partials

CWT Offsite all priorities 13.8 days
Onsite " " 2.5 days

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Specific Questions – Metrics

Financial

Jan 04

AWCF ($Mil)

Sales	$ 400.6
Obligations	$ *514.2
Credits	$ .1 (.1% actual rate paid)
Transportation	$ 3.1
Computed Earnings	$**-116.8
Treasury Cash	$***-47.1

*Includes $12.9M credit received. Credits received reduce net obligations.

** (Sales + Credits) – (Obligations + Credits + Transportation) = Earnings

*** Collections – Disbursements = Treasury Cash

OMA Expense ($Mil)

Gov pay of people	$ .304
Contractor pay of people	$ .788
DECC	$ .871
Total	$1.963

AWCF Transportation ($Mil) $3.100

Specific Questions – Metrics

Inventory

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Inventory ($Mil)

		MS 1 / 2		MS 3	
		FY 01	FY 02	FY 03	FY 04
Inventory BOP		$ 4.9	$ 80.8	$ 87.6	$ 726.5
Receipts	+	$27.3	$ 72.1	$812.4	$ 452.2
Sales	-	$65.6	$117.0	$725.5	$ 400.6
Capitalization*	+	$47.8	$ 11.8	$273.5	$ 3.1
Returns	+	$132.5	$215.9	$731.1	$ 493.2
Price changes	-	$ .2	$ 3.9	$ 2.2	$ 26.4
Disposals	-		$60.3	$129.4	
		$210.1	$ 83.5		

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Specific Questions
NAMI EXCESS PROCESS

1. Compare RO (times the multiplier) to the RL

2. Assets above the higher requirement offered to SOS

3. Assets are returned to SOS as they request ($ in Mil)

		Offered	Rtnd	Credit
A. Either Credit	FY 01	$ 8.3	$2.1	$1.8
	FY 02	$150.1	$8.6	$6.6
	FY 03	$136.4	$17.4	$14.2
	FY 04	$226.6	$14.0	$12.9

B. Or no credit **FY 01 - $4.0/ FY 02 - $19.0/ FY 03 - $1.2/ FY 0**

4. Screened for War Reserve Requirement

5. Disposed if not required **FY 01 - $60.4** **FY 02 - $129.4**
FY 03 - $210.1 **FY 04 - $ 83.5**

NAMI Costs/Benefits

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COSTS:
- Operating costs are O&M funded; approximately $5.5M per year
- SDT is AWCF-SMA funded; $4M per year
- Embedded costs in CCSS development (about $11M)
- Software maintenance costs

BENEFITS:
- Generates cash
  --Offsite referrals: FY01 $41.8M /FY02 $44.7M /FY03 $50.4M /FY04 (through Jan 04) $23.1M
  ---Dollars retained in AWCF
  ---DLA credit would have totaled $21.2M (all yrs)
- Funded more than $100M in ASL increases for Dollar Cost Banding over past two years
- Single process through SARSS level for all

ISSUES

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- **Lack of Obligation Authority**
  - Requisition processing will stop May 04
  - All ASL replenishment and DONs
  - Soldiers will have to wait for CWT
- **Need additional $600M for remainder of I**
- **Bypassing Requisitions**